

DISPOSITION AND DEVELOPMENT AGREEMENT

By and Between

CITY OF LAS VEGAS

and

**The Tapestry Group, Inc.
an Arizona non-profit corporation**

DISPOSITION AND DEVELOPMENT AGREEMENT

THIS AGREEMENT is entered into as of the ____ day of _____, 2007, by and between the City Of Las Vegas, a political subdivision of the State of Nevada (hereinafter the "City") and The Tapestry Group, Inc., an Arizona non-profit corporation in good standing (the "Developer").

I. [§ 100] SUBJECT OF THE AGREEMENT

A. [§ 101] Purpose of this Agreement.

The purpose of this Agreement is to facilitate the construction and continued preservation of workforce housing within the City of Las Vegas and to accomplish the transfer of the Site as hereinafter described, which will lead to the construction and preservation of approximately 274 multi-family rental units for a proscribed affordability period, as described herein.

The development of the Site pursuant to this Agreement and the fulfillment generally of this Agreement are in the vital and best interests of the City and the health, safety and welfare of its residents, and in accord with the public purposes and provisions of applicable federal, state and local laws and requirements.

B. [§ 102] U.S. Patent

In order to facilitate the orderly development of workforce housing, the City will be conveyed a certain parcel of real property from the United States of America, which property shall be used by the Developer for the development of affordable housing as hereinafter described.

C. [§ 103] The Site.

The property to be conveyed pursuant to this Agreement is comprised of approximately fifteen and one quarter (15.25) contiguous acres of real property owned or that will be owned by the City, generally located north and east of the intersection of Westcliff Drive and Tenaya Way in the City of Las Vegas, Clark County, Nevada, also known as Clark County Assessor's parcel number 138-27-801-004 and a part of Clark County Assessor's parcel number 138-27-802-006 (hereinafter referred to as the "Site"). The Site is more fully depicted on the Site Map (Attachment "A"), and is more particularly described in the Legal Description of the Site (Attachment "B").

D. [§ 104] Parties to this Agreement.

1. [§ 105] The City.

The City is a political subdivision duly formed and organized under the laws of the State of Nevada, whose address is Neighborhood Services Department, 400 Stewart Avenue, Las Vegas, Nevada 89101.

2. [§ 106] The Developer.

The Developer is The Tapestry Group, Inc., an Arizona corporation, whose address is 9419 East San Salvador, Suite 105, Scottsdale, Arizona 85258. Wherever the term "Developer" is used herein, such term shall include any permitted nominee, assignee or successor in interest as herein provided.

The qualifications and identity of the Developer, its general partner, its limited partners, its principals and its officers, as applicable, are of particular concern to the City, and it is because of such qualifications and identity that the City has entered into this Agreement with the Developer. No voluntary or involuntary successor in interest of the Developer shall acquire any rights or powers under this Agreement except as expressly set forth herein. This Agreement may be terminated by the City pursuant to the terms of this Agreement if there is any significant change (voluntary or involuntary) in the ownership of the Developer not approved by the City Council prior to the completion of the development of the Site as evidenced by the issuance of a Certificate of Completion therefor pursuant to Section 211 hereof. The term "significant change" as used herein shall mean a change of the management of the Developer. During the period following the completion of the development of the Site as evidenced by the issuance of a Certificate of Completion and prior to the expiration of the Period of Affordability (as defined in Section 405 hereof and as may be amended from time to time), the Developer may assign this Agreement and/or transfer the Site upon receipt of the written approval of the City, which approval shall not be unreasonably withheld, conditioned, or delayed if (i) the transferee is a non-profit corporation, (ii) the document conveying the Site to the transferee states that the Site is subject to the provisions of this Agreement, and (iii) the Developer's then current lender and/or HUD (defined below), as applicable, have approved the sale of the Site to the transferee. Following the expiration of the Period of Affordability, Developer may freely transfer this Agreement and/or the Site to any person or entity without obtaining the consent of the City.

Notwithstanding the foregoing or any other provision of this Agreement, the Developer may transfer the Site or assign this Agreement to a single member limited liability company of which Developer is the sole member once at any time after the Closing, without the prior approval of the City for the purposes of obtaining and complying with the terms of Developer's financing for the development of the Site and the terms of the Final Commitment (hereinafter defined), and for the purposes of constructing, maintaining and preserving the Development for the affordability period hereinafter described.

E. [§ 107] The Development.

Subject to all provisions of this Agreement, the improvements to be constructed on the Site (the "Development") will consist of an apartment complex containing approximately 274 apartment units, including 1, 2, and 3 bedroom configurations, and an amenity package. The Developer has engaged McCormick Construction Co., an Arizona corporation, to act as the general contractor for the construction of the improvements comprising the Development.

F. [§ 108] Good Faith Deposit.

Concurrently with the execution of this Agreement by the Developer, the Developer shall deliver to the City a deposit in the form of either cash or a cashier's check in the amount of Ten Thousand Dollars (\$10,000). Such amount shall be retained by the City as the Developer's deposit under this Agreement (the "Good Faith Deposit") and shall serve as security for the performance of the obligations of the Developer under this Agreement.

Upon termination of this Agreement by the City as provided herein, or the issuance of the Certificate of Completion, the Good Faith Deposit shall be returned to the Developer or retained by the City, as the case may be. The Good Faith Deposit shall be returned within thirty (30) days to the Developer by the City (i) upon termination of this Agreement as provided herein, or (ii) upon issuance of a Certificate of Completion for the Site.

G. [§ 109] Developer Obligations.

1. [§ 110] Financing for Development of the Site.

The Developer has submitted to the City evidence of preliminary approval for financing from Column Guaranteed (a Credit Suisse Company) ("Column"), a Multifamily Accelerated Processing ("MAP") and United States Department of Housing and Urban Development ("HUD") approved lender, which financing is contingent upon HUD's issuance of a MAP based firm commitment to insure. Such preliminary approval for financing (the "Preliminary Column Financing") evidences a commercially reasonable probability that sufficient funds will be available from Column to construct the Development in accordance with the Basic Concept Drawings attached hereto. No further approval of the Preliminary Column Financing by City is required.

At such time as Developer enters into a final commitment ("Final Commitment") with Column for a loan to be secured by the Site and/or the Development (a "Development Loan"), the Developer shall provide the City with a copy of such commitment and, if such information is not contained in such commitment, the Developer will provide:

- a. A complete description of all real and personal property securing the Development Loan, together with any required collateral assignments, guarantees and other forms of security.
- b. The rate of interest or return payable with respect to the Development Loan, and any fees payable to the Lender during the Development Loan term.
- c. The repayment schedule including any extensions.
- d. The exact amount of funds to be made available to the Developer for the Development after deduction of the Lender's closing or other fees payable or deducted at closing, closing costs, commissions and the like.
- e. A description of the approved budget (the "Construction Budget")

against which funds will be disbursed and the conditions and timing for disbursement.

- f. A description of all required property, liability and title insurance, and payment and performance bonds.
- g. Copies of proposed material loan documents.

The Director of Neighborhood Services shall review the Final Commitment within fourteen (14) calendar days of its receipt by the City. Approval of any Final Commitment shall not be unreasonably withheld, conditioned, or delayed. Upon approval of the Final Commitment, Developer may proceed to close the Development Loan evidenced by such Final Commitment without obtaining further approval or consent of the City.

Developer acknowledges and understands that this Agreement does not entitle the Developer to receive building permits nor construct the project as depicted by the Basic Concept Drawings at Attachment "D". Based upon such understanding, the Developer acknowledges and accepts all possible risks and consequences by closing the Development Loan after approval of the Final Commitment but prior to approval of the necessary land use entitlements for the Development.

The parties hereto agree that should Developer be unable to obtain a Final Commitment from Column for the Preliminary Column Financing, construction of the Development at the Site by Developer as an affordable housing development will not be economically feasible, and Developer shall be allowed to terminate this Agreement without any further liability to City, except that, notwithstanding any other provisions herein, City shall retain the Good Faith Deposit.

Notwithstanding anything in this Section 110 or this Agreement to the contrary, Developer may elect, in its sole discretion, to seek a Development Loan from or through a source other than Column, provided Developer obtains the approval of the Director of Neighborhood Services for such Development Loan, which approval shall not be unreasonably withheld, conditioned, or delayed.

2. [§ 111] Conditions Precedent to Transfer of Site

The Developer agrees and warrants that it will comply with the following conditions precedent before the Closing and conveyance of the Site to the Developer:

- a. The Developer agrees to furnish and provide to the City the Final Commitment, approved by the Director of Neighborhood Services, in accordance with Section 110, above.
- b. The Developer shall obtain from the City all necessary land use entitlements as required by the Las Vegas Municipal Code (the "Code") to construct the Development upon the Site. These land use entitlement applications include, but are not limited to the following: Amendment to the General Plan, Rezoning and Site Development Plan Review (the

“Required Entitlement Applications”).

The Developer shall submit its Required Entitlement Applications based substantially upon the Basic Concept Drawings at Attachment “D”. Attachment “D” depicts the Development as tentatively and initially to be developed pursuant to this Agreement, including the general building layouts, site coverage, parking, landscaping and architectural renderings for the Development. Prior to the submission of the Required Entitlement Applications, the Developer shall have the right to change certain items in the Basic Concept Drawings such as traffic access, parking areas and landscaping, subject to the written consent of the Director of Neighborhood Services, which consent shall not be unreasonably withheld, conditioned, or delayed. The Developer shall advise City in writing of proposed changes to the Basic Concept Drawings, and the Director of Neighborhood Services shall consider such proposed changes and notify the Developer of his decision within fourteen (14) calendar days of the Developer’s submission of such changes to the City.

- c. The Developer agrees to submit to the Department of Building & Safety all necessary building permit applications as required by the Code enabling the Developer to complete construction of the Development. The Developer further agrees to submit the required fees for said applications, and post the required bonds in order to commence construction pursuant to the Code.
- d. The Developer shall provide a survey of the Site and shall submit the survey to the Escrow Agent prior to conveyance of the Site.
- e. The Developer shall deposit with the Escrow Agent ten dollars for the purchase of the Site from the City (“City Purchase Price”).
- f. The Developer shall deposit with the Escrow Agent the amount of monies necessary for the City to purchase the Site as required by the BLM (“BLM Purchase Price”) pursuant to the relevant provisions of the Southern Nevada Public Land Management Act of 1998 (“SNPLMA”) and the applicable official Nevada guidance and regulatory and administrative requirements for implementation of Section 7(b) of SNPLMA (the “Nevada Guidance”).

3. [§ 112] Conditions Subsequent

The following are conditions subsequent to the conveyance of the Site, and are not merely covenants. Subject to all terms and conditions of this Agreement, and conditioned and contingent upon satisfaction of all conditions and contingencies set forth in this Agreement, the Developer shall perform the following:

- a. The Developer must construct the Development in accordance with the approved Required Entitlement Applications.
- b. The Developer must construct the on-site improvements and off-site improvements as required by the Code, any conditions of the approved Required Entitlement Applications, and any conditions imposed by the City of Las Vegas Planning Department, Public Works Department, and Department of Building & Safety.
- c. The Developer will cause a temporary sign to be installed on the Site indicating that it is being developed in conjunction with (i) the City and listing the members of the Las Vegas City Council and the City Manager of the City, (ii) HUD, and (iii) Column.
- d. Developer and any assigns or transferees permitted pursuant to the terms of this Agreement shall maintain ownership of the Development as affordable housing as provided herein.

H. [§ 113] City Obligations.

1. [§ 114] Transfer of the Site.

- a. Subject to satisfaction of the conditions precedent described in Section 111, the City shall transfer title of the Site to the Developer, or Developer's permitted assignee, at Closing.
- b. The City Purchase Price of the Site is Ten Dollars. The payment of the City Purchase Price shall be delivered to the Escrow Agent prior to Closing and will be paid to the City by the Escrow Agent at Closing.
- c. The BLM Purchase Price for the Site will be delivered to the Escrow Agent pursuant to the terms of the conditions precedent, and paid to the BLM by the Escrow Agent at Closing.

2. [§115] Approvals.

Subsequent additional escrow instructions are permitted, provided that the City and Developer both consent in writing to such additional instructions. Consent to such additional instructions may be given by the City Manager, or his designee, on behalf of the City, subject to the condition that there is no material modification to the terms of this Agreement, nor additional monetary adjustment which obligates the City to the Developer in an amount in excess of Twenty-Four Thousand Nine Hundred Ninety-Nine Dollars (\$24,999).

3. [§116] Acquisition of Site from BLM; Certain Other Interests.

- a. The City and Developer understand that the Site is being acquired by the City from the United States of America, Bureau of Land Management ("BLM") pursuant to the provisions of Section 7(b) of the SNPLMA. The Site shall be conveyed in accordance with the provisions of SNPLMA and the Nevada Guidance. City and Developer agree to cooperate in order to carry out the transfer of the Site to the City pursuant to SNPLMA and the Nevada Guidance. The City agrees to accept any and all materials required for nomination of the Site for affordable housing by the BLM ("Nomination Package") from the Developer for review and approval at any time after the Effective Date of this Agreement. The City shall review and either approve or disapprove the Nomination Package within seven (7) business days of receipt thereof from the Developer. If the City disapproves, in its reasonable discretion, any element of the Nomination Package, the City shall inform the Developer in writing with specificity the reason or reasons for such disapproval within such seven (7) day period. The City shall not unreasonably withhold its approval of the Nomination Package, and shall, within five (5) business days of City's approval of the initial version of the Nomination Package or within five (5) business days of receipt of the revised Nomination Package, file the Nomination Package with the BLM.
- b. The Site is currently subject to certain interests held by the Southern Nevada Water Authority and/or Las Vegas Valley Water District ("Water Authority"), the Nevada Department of Transportation ("NDOT"), the City, and Nevada Power Company ("NPC"), some of which interests are described on Attachment "I" hereto. The Site also lies within the path of the so-called "Bonanza Trail" which is contemplated to be constructed by the City. Prior to any Closing hereunder and as a condition to Developer's obligations to acquire and develop the Site pursuant to the terms of this Agreement, all interest of the Water Authority, NDOT, and NPC must either be relinquished to the BLM or the City, as applicable, or removed, relocated, or otherwise

handled in a manner that allows Developer, in Developer's sole discretion, to develop the Site as contemplated by this Agreement. Upon execution of this Agreement, the Developer shall take reasonable steps, with the cooperation and assistance of the City, to cause the interests of the Water Authority, NDOT, and NPC to be conveyed to the BLM or the City or to be removed, relocated, or otherwise handled to Developer's reasonable satisfaction. The City shall also take necessary steps to cause the "Bonanza Trail" that is currently planned to pass through the Site to be re-routed around the Site. The City shall cooperate with Developer and assist Developer with vacations or relinquishments of the interests held by City described on Attachment "I" hereto as items 1, 2, and 4 (the "City Rights of Way"), provided, vacations and/or relinquishments are found to be possible or desirable by City upon further investigation by Developer and City. Prior to any Closing hereunder and as a further condition to Developer's obligations to acquire and develop the Site pursuant to the terms of this Agreement, the City Rights of Way shall be vacated, removed, relocated, or otherwise handled in a manner that allows Developer, in Developer's sole discretion, to develop the Site as contemplated by this Agreement.

- c. Prior to the Closing, the City will relinquish its interest in that portion of that certain Recreation or Public Purposes Lease dated October 2003, executed by the United States of America, as lessor, and the City of Las Vegas, as lessee, recorded on December 3, 2003 in Book 20031203 as Instrument No. 00405, in the Official Records of Clark County, Nevada, that affects the Site.
- d. At Closing, the Site shall be conveyed by the City to Developer as one or more independent legal parcels. That portion of the Site that is currently a part of Clark County Assessor's Parcel Number 138-27-802-006, shall be subdivided and conveyed to Developer in accordance with the applicable provisions of state, federal, and local law governing divisions of property, including, without limitation, NRS 278.461 through 278.469, inclusive, as applicable.

I. [§117] Site Conveyance.

In accordance with, and subject to, all terms, covenants and conditions of this Agreement, the City agrees to sell the Site upon the payment of the City Purchase Price, the BLM Purchase Price, the fulfillment of all conditions precedent described in Section 111.

1. [§118] Opening of Escrow; Closing.

For purposes of this Agreement, the opening of escrow (the "Opening of Escrow") for the Site shall be deemed to be the date on which three (3) copies of this Agreement, executed by the

Developer and City, are delivered to First American Title Insurance Company, at 2590 Nature Park Drive, Suite 175, North Las Vegas, Nevada 89084, Attn: Tammy S. Lowe, or such other title company as the parties may agree upon (hereinafter referred to as "Escrow Agent"). The consummation of the transaction as to the Site (the "Closing") shall occur within thirty (30) calendar days of the satisfaction of the conditions precedent pursuant to Section 111 and satisfaction or waiver of the conditions contained herein running in favor of Developer, provided City has obtained the Site from BLM. Closing shall be deemed to have occurred when (i) all closing documents contemplated by this Agreement have been delivered to, received by and executed by the appropriate parties, (ii) all conditions precedent to such Closing contemplated by this Agreement have been satisfied, and (iii) the deed required pursuant to Section 121 has been recorded in the Official Records of Clark County, Nevada.

2. [§119] Condition of Title.

The City shall not encumber the Site, and shall convey to the Developer fee simple title to the Site subject only to a lien not yet delinquent for ad valorem taxes for real property, any general or special assessments against the Site, and, subject to Section 116 above, those matters described on Attachment "I" hereto (collectively, the "Permitted Exceptions"). To the best of the City's knowledge, there are no outstanding general or special assessments against the Site.

3. [§120] Termination of Agreement and Escrow—Non Default.

Notwithstanding any provision that permits the City to retain the Good Faith Deposit, if this Agreement is terminated as permitted by any provision of this Agreement which does not constitute a default hereunder, the City shall return to the Developer the Good Faith Deposit, together with all earnings thereon; Escrow Agent shall return all documents to the party which supplied the documents; the Developer shall return to the City any reports, studies, plans, surveys, drawings, plats and specifications delivered to the Developer by the City, and the Developer and the City shall have no further obligation pertaining to the purchase or sale of the Site, except as to any surviving indemnifications set forth in this Agreement.

4. [§121] Conveyance at Closing; Simultaneous Closing.

Prior to Closing, the City shall deliver to Escrow Agent a Quit Claim Deed substantially in the form attached hereto as Attachment "E" conveying fee simple title to the Site wherein the Developer, or its permitted assignee, is grantee (the "Deed") together with any affidavit or other documents required by law for recording deeds. Upon the Closing, Escrow Agent shall file the Deed for recordation among the land records in the Office of the County Recorder of Clark County, Nevada, which Deed shall be recorded simultaneously with the deeds of trust or other security instruments securing acquisition, development, construction or other real estate secured financing for the Development.

5. [§122] Title Insurance Policies.

Concurrently with recordation of the Deed conveying the Site and as a condition of Closing, the Escrow Agent and any required co-insurer shall provide and deliver to the Developer a title insurance policy issued by the Escrow Agent insuring that title is vested in the Developer, subject only to the Permitted Exceptions, and the title insurance policy shall be of the type and in the amount requested by the Developer receiving title to the Site, and with such endorsements and affirmative coverages as may be required by the Developer. It shall be a condition to Developer's obligations hereunder that Developer be able to obtain a title policy for the Site subject only to the Permitted Exceptions. In the event, prior to the Closing, an encumbrance or exception to title arises or is discovered by any means (including, but not limited to, as a result of the survey to be obtained by Developer pursuant to Section 111(d) hereof), and such encumbrance or exception to title is not a Permitted Encumbrance, Developer may, in developer's sole discretion, terminate this Agreement and receive a refund of the Good Faith Deposit.

If the Developer desires to obtain extended coverage for its title policy, the City shall provide the Escrow Agent at Closing with such evidence and customary documents as are reasonably required to issue such coverage.

The Developer shall pay for the standard title insurance (CLTA) premium for the policy and amount of title insurance and the Developer shall pay for any special endorsements and coverages, requested by the Developer for its Site acquired thereunder, including the additional cost of an ALTA survey policy.

6. [§123] Apportionment and Incidental Costs.

The Site taxes based from the Clark County Assessor shall be assessed as of the date of the respective Closing, and shall be assumed and paid thereafter by the Developer as to the Site so acquired by the Developer.

7. [§124] Brokerage.

The Developer and the City each represent to the other that it has not dealt with any real estate broker or any other party entitled to a commission, broker's fee or other compensation in connection with the sale of the Site by the City to the Developer, other than Richard Gibb, who was engaged by Developer and who will be paid a commission solely by Developer pursuant to a separate agreement. The Developer and the City each agree to indemnify, protect, defend and hold the other harmless for, from and against any expense, including, without limitation, attorneys' and accountants' fees, claims, actions, suits or demands for payment of any commission, finder's fee or other sum initiated by any broker, commission agent or other person which such party or its representatives has engaged or retained or with which it has had discussions concerning the transaction contemplated by this Agreement. This indemnification shall survive any termination of this Agreement.

8. [§125] Changes in the Site.

Should all or any part of the Site be taken from City by eminent domain proceedings prior to the Closing on the Site, or, if prior to such Closing, any governmental authority should issue notice of any taking or proposed taking, the Developer may terminate this Agreement, in Developer's sole discretion, as to any portion of the Site not yet acquired by Developer (or the entire Site if no portion has yet been acquired) by sending written notice thereof to City and Escrow Agent on or before the applicable Closing. If the Developer does not elect to terminate, then this Agreement shall remain in full force and effect. In the event the Developer terminates this Agreement pursuant to this paragraph, the Developer shall be entitled to an immediate refund of the Good Faith Deposit together with any interest earned thereon. To the best of the City's knowledge, there is no pending or threatened eminent domain proceeding against the Site.

9. [§126] Possession.

Possession of the Site shall be delivered to the Developer upon Closing.

10. [§127] "As Is" Sale

THE DEVELOPER ACKNOWLEDGES AND AGREES THAT THE SITE IS TO BE SOLD AND CONVEYED TO, AND ACCEPTED BY THE DEVELOPER IN AN "AS IS" CONDITION WITH, IF ANY, ALL FAULTS AND DEFECTS. The City makes no representations or warranties of any kind whatsoever, either express or implied, with respect to the Site or any of such related matters; in particular, but without limitation, the City makes no representations or warranties with respect to the use, condition, title, occupation or management of the Site, compliance with applicable statutes, laws, codes, ordinances, regulations or requirements relating to leasing, zoning, subdividing, planning, building, fire, safety, health or environmental matters, compliance with covenants, conditions and restrictions (whether or not of record), other local, municipal, regional, state or federal requirements, or other statutes, laws, codes, ordinances, regulations or requirements affecting or relating to the Site. The Developer acknowledges that notwithstanding any prior or contemporaneous oral or written representations, statements, documents or understandings, this Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof and the purchase and sale of the Site and supersedes any such prior or contemporaneous oral or written representations, statements, documents or understandings.

II. [§ 200] DEVELOPMENT OF THE SITE

A. [§ 201] Performance Milestones/Construction Schedule.

The parties agree that the primary purpose of this Agreement is to provide affordable workforce housing for persons at or below the Income Qualification Percentage (as defined herein) to be constructed within a reasonable period of time. As such, the parties agree, subject to the occurrence of events described in Section 604 hereof, to the following performance milestones:

1. Neighborhood Meetings for Required Entitlement Applications: within thirty (30) calendar days from the Effective Date of this Agreement;

2. Submission of information to City for Nomination of the Site to BLM for affordable housing purposes: within one hundred-twenty (120) calendar days from the Effective Date of this Agreement;
3. Filing of Required Entitlement Applications: two hundred-forty (240) calendar days from the Effective Date of this Agreement;
4. Final City Approval of the Required Entitlement Applications: three hundred-sixty (360) calendar days from the Effective Date of this Agreement;
5. Filing of Civil Drawings: four hundred-twenty (420) calendar days from the Effective Date of this Agreement;
6. Filing of Building Permit applications: five hundred-ten (510) calendar days from the Effective Date of this Agreement;
7. Issuance of Building Permits: six hundred (600) calendar days from the Effective Date of this Agreement;
8. Commencement of Construction Activities: six hundred-thirty (630) calendar days from the Effective Date of this Agreement; and
9. Completion of Construction Activities: one thousand-fifty (1050) calendar days from the Effective Date of this Agreement.

The parties agree that the Developer may request from the City Manager a thirty (30) calendar day grace period once for each of the above milestone periods, the approval of which is at the sole reasonable discretion of the City Manager. Such request for a grace period must be submitted to the City Manager before the expiration of any such milestone period.

Further, the Developer may request an amendment of this Section 201 from the City Council prior to the expiration of a milestone period, pursuant to the provisions of Section 701 hereof, if the Developer reasonably believes that it will not be able to comply with one or more of the performance milestones. Any exercise of the remedies to which the City is entitled pursuant to the provisions of this Agreement shall be tolled for that period of time between the Developer's request for the amendment and the City Council hearing on such amendment. If the City Council fails to approve the requested amendment to this Agreement by the Developer, the City shall be entitled to exercise the remedies described at Section 508 upon the passing of the time period allowed for completion of the applicable milestone and Developer's failure to ultimately achieve such milestone, and the lapsing of any applicable notice and cure period.

For the purposes of this subsection, “Commencement of Construction” means the date that is ten (10) days after the date Developer delivers the written notice to commence construction to Developer’s general contractor for construction of the improvements comprising the Development. The Developer shall deliver a copy of such written notice to the director of Neighborhood Services.

B. [§202] Cost of Construction.

The entire cost of developing the Site and constructing all improvements thereon shall be borne by the Developer.

C. [§203] Insurance and Indemnification.

1. The Developer shall require the Contractor to obtain and maintain during the existence of this Agreement, general comprehensive liability insurance for bodily injury and property damage in the minimum amount of Two Million Dollars (\$2,000,000) combined single limit. If such policy is on a “claims made” basis, then such coverage shall be maintained in effect for one (1) year after the issuance of the final Certificate of Completion.

2. Prior to the commencement of any construction on the Site, the Developer shall furnish or cause to be furnished to the City certificates of insurance or endorsements evidencing the coverage required herein.

3. The Developer will provide renewal certificates for insurance coverage required herein that expires during the existence of this Agreement within thirty (30) calendar days of City’s written request therefor.

4. The City, its officers, employees, agents, consultants and volunteers must be expressly covered as insured parties under the insurance coverage required herein.

5. The insurance coverage required herein must provide for a 30-day written notice to the City before any amendments, modifications, suspension, cancellations, reductions or non-renewal of coverage. This notice requirement does not waive the insurance requirements contained herein.

6. In addition to the insurance requirements of this Section, the Developer shall assume and be responsible for, and shall protect, indemnify, defend and hold harmless the City, and its officers, members, consultants, agents and employees, from and against any and all actions, claims, demands, liabilities, losses or costs, including reasonable attorneys’ fees and court costs, for injuries to or the death of any person or persons or damages to property, including property of the City, which may arise out of, be caused by or result from the performance of the Developer’s obligations under this Agreement excluding any claims, demands, liabilities, losses or costs resulting from the acts or omissions of the City and any of their respective officers, members, consultants, agents and employees.

7. Subject to Nevada Revised Statutes (“NRS”) Chapter 41, the City shall assume

and be responsible for, and shall protect, indemnify, defend and hold harmless the Developer, and its respective officers, members, consultants, agents, contractors, sub-contractors and employees, from and against any and all actions, claims, demands, liabilities, losses or costs, including reasonable attorneys' fees and court costs, for injuries to or the death of any person or persons or damages to property, including property of the Developer, which may arise out of, be caused by or result from the performance of the City's obligations under this Agreement excluding any claims, demands, liabilities, losses or costs resulting from the acts or omissions of the Developer, and any of its officers, members, consultants, agents and employees.

8. The Developer shall also furnish or cause to be furnished evidence satisfactory to the City that any contractor with whom the Developer has contracted for performance of the work on the Site carries worker's compensation insurance required by law.

D. [§204] City, and Other Governmental Permits.

Before commencement of construction or development of any buildings, structures or other work of improvement upon the Site, the Developer shall, at its own expense, secure or cause to be secured any and all permits or other entitlements which may be required by the City or any other governmental agency affected by such construction, development or work.

E. [§205] Rights of Access.

After the Closing, for the purposes of assuring compliance with this Agreement, representatives of the City shall have the right, upon reasonable prior written or oral notice to the Developer or Developer's general contractor, of reasonable access to the Site, without charges or fees and at normal construction hours during the period of construction for the purposes of this Agreement, including, but not limited to, the inspection of the work being performed in constructing the improvements. The City shall indemnify the Developer and hold it harmless from any damage caused, or liability arising from, this right to access subject to the limitations of NRS Chapter 41.

The City is aware that the Developer desires access to the Site before Closing. However, prior to Closing, the Site will be under the ownership of the BLM, and as such, the City is not able to grant Developer the right to access the Site prior to the Developer's ownership of the Site. If the Developer desires access to the Site before closing, the Developer must coordinate such access with the BLM.

Provided that the Developer obtains the legal right to access the Site from the BLM, the City acknowledges that Developer and its engineers and agents might access the Site after Opening of Escrow for the purpose of conducting geological, soil, drainage, engineering, building inspection, environmental tests and other studies and surveys which the Developer, in its reasonable discretion, deems necessary to determine whether the Site is suitable for Developer's contemplated use.

If the Developer receives permission to access the Site to conduct such testing, the Developer shall thereafter restore the Site as required by the BLM, and at a minimum, restore the Site to at least the condition which existed prior to performing such tests and studies, including the

application of a dust palliative on any soil disturbed by Developer as a result of such tests, and shall indemnify and hold City harmless from and against costs, expenses or liability incurred as a result of Developer's activities on the Site exercised pursuant to this paragraph. Such indemnification shall survive any termination of this Agreement.

F. [\$206] Compliance With Local, State, and Federal Laws.

The Developer shall carry out the construction of the improvements in conformity with all applicable laws, including all applicable federal, state and local standards.

G. [\$207] Antidiscrimination During Construction.

The Developer, for itself and its successors and assigns, agrees that in the construction of the Development provided for in this Agreement, the Developer will not discriminate against any employee or applicant for employment because of race, color, creed, religion, sex, age, ancestry or national origin.

H. [\$208] Taxes, Assessments, Encumbrances and Liens.

Prior to the issuance of a Certificate of Completion, the Developer shall not place or allow to be placed on the Site any mortgage, trust deed, encumbrance or lien unauthorized by this Agreement, it being expressly understood that encumbrances allowed pursuant to the terms of the Final Commitment are authorized prior to the issuance of a Certificate of Completion. The Developer shall remove or have removed any levy or attachment caused by Developer or Developer's agents, contractors or subcontractors, to be made on the Site (or any portion thereof), or shall assure the satisfaction thereof, within a reasonable time.

Nothing herein contained shall be deemed to prohibit the Developer from contesting the validity or amounts of any tax, assessment, encumbrance or lien, or to limit the remedies available to the Developer in respect thereto, as long as such contest does not impair the title to the Site.

I. [\$209] Prohibition Against Transfer of Site, the Buildings or Structures Thereon

Developer hereby represents and warrants that the Site is being acquired for the purpose of the Development as defined in Section 107, and is not for speculative purposes. Developer shall not, except as expressly permitted by this Agreement (including, without limitation, as permitted by Section 106 hereof), sell, transfer, convey, or assign the whole or any part of the Site or the buildings or improvements thereon without the prior written approval of the City. This prohibition shall not be deemed to prevent the granting of easements or permits to facilitate the development of the Site or the granting of leases of personal property (such as furniture, washers, dryers, and the like) to tenants and occupants of the improvements after a Certificate of Completion has been issued.

In the absence of specific written agreement by the City, no such transfer, assignment or approval by the City shall be deemed to relieve the Developer or any other party from any obligations under this Agreement until completion of Development as evidenced by the issuance of a Certificate of

Completion therefor.

J. [§210] No Encumbrances Except Mortgage, Deeds of Trust, Sales and Lease-Backs or Other Financing for Development.

Notwithstanding Sections 208 and 209 of this Agreement, mortgages, deeds of trust, sales and leases-back or any other form of conveyance required for any reasonable method of financing are permitted before issuance of a Certificate of Completion but only for the purpose of securing loans of funds to be used for construction of improvements on the Site or any other expenditures necessary and appropriate to develop the Site under this Agreement, such as the financing contemplated by the Final Commitment. The Developer shall notify the City in advance of any mortgage, deed of trust, sale and lease-back or other form of conveyance for financing if the Developer proposes to enter into the same before issuance of a Certificate of Completion, other than the advance of any mortgage, deed of trust, sale and lease-back or other form of conveyance for financing contemplated pursuant to the Final Commitment, for which the Developer shall not be required to provide additional notification. The Developer shall not enter into any such conveyance for financing without the prior written approval of the City (other than any conveyance for financing contemplated by the Final Commitment for which additional prior approval shall not be necessary), which approval the City agrees to give if any such conveyance is given to a responsible financial or lending institution or other reasonable acceptable person or entity. In any event, the Developer shall promptly notify the City of any mortgage, deed of trust, sale and lease-back or other financing conveyance, encumbrance or lien that has been created or attached thereto prior to completion of the construction of the improvements on the Site whether by voluntary act of the Developer or otherwise, unless such financing conveyance, encumbrance or lien was contemplated by the Final Commitment.

K. [§211] Certificate of Completion.

A Certificate of Completion shall be issued promptly after receipt of a request therefor after the completion of all construction of improvements on the Site and the submission of evidence that the Developer has retained a property manager to operate the Development. The Certificate of Completion for the Development shall be in the form attached hereto as Attachment "C" which shall be recorded in the Office of the County Recorder of Clark County. A Certificate of Completion for less than all of the improvements comprising the Development shall not be recorded.

The Certificate of Completion for the Development shall be, and shall so state therein that it is, a conclusive determination of the satisfactory completion of the construction required by this Agreement upon the Site or such portion thereof and of full compliance with the terms hereof. After issuance of the Certificate of Completion for the Development, any party then owning or thereafter purchasing, leasing or otherwise acquiring any interest in the Site or such portion thereof covered by said Certificate of Completion shall not (because of such ownership, purchase lease or acquisition) incur any obligation or liability under this Agreement. Except as otherwise provided herein, after the issuance of the Certificate of Completion for the Development or such portion thereof, neither the City nor any other person shall have any rights, remedies or controls with respect to the Site or such portion thereof that it would otherwise have or be entitled to exercise under this Agreement as a result of a default in or breach of any provision of this Agreement, and the respective rights and obligations of the

parties with reference to the Site or such portion thereof shall be as set forth in Sections 301 to 304, inclusive, of this Agreement.

If the City refuses or fails to furnish the Certificate of Completion for the Development after written request from the Developer, the City shall, within fourteen (14) calendar days of such written request, provide the Developer with a written statement of the reasons the City refused or failed to furnish the Certificate of Completion. The statement shall also contain the City's opinion of the action the Developer must take to obtain a Certificate of Completion.

The Certificate of Completion for the Development shall not constitute evidence of compliance with or satisfaction of any obligation of the Developer to any holder of a mortgage or any insurer of a mortgage securing money loaned to finance the improvements or any part thereof.

III. [§ 300] USE OF THE SITE

A. [§301] Uses.

The Developer covenants and agrees for itself, its successors, assigns, and every successor in interest that during construction and thereafter for the period required by Sections 404, 405 and 406, the Site shall be devoted only to the provision of affordable housing.

B. [§302] Maintenance.

The Developer hereby covenants and agrees for itself, its successors, assigns and every successor in interest to maintain the improvements on the Site and keep the Site free from any accumulation of debris or waste materials and to maintain the landscaping required to be planted in accordance with the Code and any relevant Required Entitlement Application approval in a healthy condition. If at any time the Developer, or its successors in interest, shall fail to keep the Site free of debris or waste materials or to maintain said landscaping in a healthy condition, and said condition is not corrected within ten (10) calendar days after written notice from the City (or within such longer period of time as is reasonably necessary therefor), the City may perform the necessary cleanup or landscape maintenance, and the Developer, or its successors in interest, shall pay such costs as are reasonably incurred for such cleanup or landscape maintenance. The foregoing covenant shall run with the land.

C. [§303] Obligation to Refrain From Discrimination.

The Developer covenants by and for itself, its successors, assigns and every successor in interest to the Site or any party thereof, that there shall be no discrimination against or segregation of any person or group of persons on account of race, color, creed, religion, sex, age, ancestry, sexual orientation or national origin in the sale, lease, sublease, transfer, use, occupancy, tenure or enjoyment of the Site, nor shall the Developer itself or any person claiming under or through it establish or permit any such practice or practices or discrimination or segregation with reference to the selection, location, number, use or occupancy of tenants, lessees, subtenants, sublessees or vendees of the Site. The foregoing covenants shall run with the land.

D. [§304] Effect and Duration of Covenants.

Except as otherwise provided, the covenants contained in this Agreement shall remain in effect three (3) years following the date on which the Certificate of Completion is issued. The covenants against discrimination shall remain in effect in perpetuity. The covenants established in this Agreement shall, without regard to technical classification and designation, be binding for the benefit and in favor of the City, its successors and assigns, the City and any successor in interest to the Site or any part thereof.

The City is deemed the beneficiary of the terms and provisions of this Agreement and of the covenants running with the land for and in its own right and for the purposes of protecting the interest of the community and other parties, public or private, in whose favor and for whose benefit this Agreement and the covenants running with the land have been provided. This Agreement and the covenants shall run in favor of the City without regard to whether the City has been, remains or is an owner of any land or interest therein in the Site. The City shall have the right, if this Agreement or the covenants are breached, to exercise all rights and remedies and to maintain any actions or suits at law or in equity or other proper proceedings to enforce the curing of such breaches to which it or any other beneficiaries of this Agreement and the covenants may be entitled.

IV. [§400] AB 312 EXEMPTION, CODIFIED AS NEVADA REVISED STATUTES §§268.059-268.063.

A. [§401] Affordable Housing Exemption, Generally.

The sale of the Site to the Developer as contemplated by this Agreement is exempt from the specific notice and auction requirements a part of Nevada Revised Statutes §§268.059-268.063 (the "Statute") pursuant to the express affordable housing exemption as such conveyance complies with the requirements of NRS §268.058.

B. [§402] Application for Conveyance of Site.

The correspondence attached hereto as Attachment "H" is deemed to be Developer's application requesting conveyance of the Site for the development of affordable housing as provided by this Agreement.

C. [§403] Public Hearing.

Prior to the City Council's approval of this Agreement, the City Council duly considered the Applicant's request for conveyance of the Site for the development of affordable housing, and approved such conveyance in accordance with the terms of this Agreement. Specifically, the City Council found as follows:

1. That the Developer is a 501(c)(3) non-profit corporation in good standing;

2. That the Developer (or an assignee explicitly permitted pursuant to the terms of this Agreement) will use the Site to provide affordable housing for persons and families not exceeding a certain Income Qualification Percentage as provided by and pursuant to the terms of this Agreement;

3. That the Developer acknowledges that it (or an assignee explicitly permitted pursuant to the terms of this Agreement) must utilize the Site to provide affordable housing for a time period as provided by and pursuant to the terms of this Agreement; and

4. That the Developer acknowledged that if it does not utilize the Site to provide affordable housing for the period prescribed by the terms of this Agreement, the City Council may take reasonable actions to return the Site for use as affordable housing, to include, but not limited to, repossession of the Site and/or transfer of the site to another entity or governmental agency for the provision of affordable housing during, but only until the expiration of, the time period specified.

D. [§404] Affordability Period Mandated by NRS §268.058.

1. **[§405] Period of Affordability.** Pursuant to the provisions of NRS 268.058, the Developer (or an assignee explicitly permitted pursuant to the terms of this Agreement) shall provide affordable housing upon the Site consistent with the terms of this Agreement for time period of not less than fifty (50) years from the date upon which the Developer receives the Certificate of Completion (the “Period of Affordability”), unless the Period of Affordability is otherwise amended consistent with Section 406, below.

2. **[§406] Amendment of Period of Affordability.** The parties believe that NRS §268.058(5) mandating a 50-year affordability period for development upon the Site may be amended by the 74th or the 75th Session of the Nevada Legislature and enacted by the Governor. As such, the parties agree that upon a proper legislative amendment to the NRS 268.058(5) affordability period by the State of Nevada, the Period of Affordability may be amended to be the same as mandated by state law for the type of development contemplated by this Agreement. Such amendment to the Period of Affordability shall occur automatically upon the delivery of a written acknowledgement by the City Manager of a proper legislative amendment to NRS 268.058(5) that is passed 74th or the 75th Session of the Nevada Legislature and enacted by the Governor. Such acknowledgement shall only occur upon receipt of written correspondence from the Developer so notifying the City Manager of the legislative change, and the City Manager may not withhold its acknowledgment upon receipt of such correspondence from the Developer, unless the City Manager reasonably disagrees with the extent or interpretation of a legislative change as asserted by the Developer. If the City Manager reasonably disagrees with the extent or interpretation of a legislative change asserted by the Developer, the City Manager shall send a response rejecting the amendment of the Period of Affordability for the Development. The decision of the City Manager rejecting such amendment may be appealed to the City Council.

E. [§407] Income Qualification Percentage.

The Development shall only provide for-rent housing for persons or families whose

income at the time of application for such housing is less than eighty percent (80%) of the median gross income for families residing in Las Vegas, Nevada, as that percentage is defined by the United States Department of Housing and Urban Development for Las Vegas, Nevada (the "Income Qualification Percentage").

However, the parties believe that NRS 268.058(3) mandating that the Development must serve only those person or families at or below the Income Qualification Percentage may be amended by the 74th or the 75th Session of the Nevada Legislature and enacted by the Governor. As such, the parties agree that upon a proper legislative amendment to the Income Qualification Percentage, such Income Qualification Percentage shall be amended to be the same as mandated by state law for the type of development contemplated by this Agreement. Such amendment to the Income Qualification Percentage shall occur automatically upon the delivery of a written acknowledgement by the City Manager of a proper legislative amendment to NRS 268.058(3) that is passed 74th or the 75th Session of the Nevada Legislature and enacted by the Governor. Such acknowledgement shall only occur upon receipt of written correspondence from the Developer so notifying the City Manager of the legislative change, and the City Manager may not withhold its acknowledgment upon receipt of such correspondence from the Developer, unless the City Manager reasonably disagrees with the extent or interpretation of a legislative change as asserted by the Developer. If the City Manager reasonably disagrees with the extent or interpretation of a legislative change asserted by the Developer, the City Manager shall send a response rejecting the amendment of the Income Qualification Percentage for the Development. The decision of the City Manager rejecting such amendment may be appealed to the City Council.

F. [§408] Recordation of the Agreement.

Pursuant to NRS 268.058(6), upon the conveyance of the Site at Closing pursuant to the terms of this Agreement, the Developer shall record this Agreement with the Clark County Recorder to specify the mandated Period of Affordability, as well as the potential consequences to an owner of the Site if any development upon the Site is not utilized for affordable housing during the Period of Affordability as delineated herein. Following any amendment of the Period of Affordability or Income Qualification Period as set forth herein or following any other material amendment to this Agreement, upon the request of either party, the parties shall record and/or consent to the recording of an amendment to this Agreement or memorandum thereof indicating the amendments made.

V. [§ 500] DEFAULTS, REMEDIES AND TERMINATION

A. [§501] Events of Default by the Developer.

Unless otherwise specifically provided herein, if, during the existence of this Agreement, the Developer:

1. Transfers or assigns, or attempts to transfer or assign the rights, benefits or duties under this Agreement contrary to the provisions of Section 106;
2. Fails to deposit the Good Faith Deposit, as required pursuant to the provisions of

Section 108;

3. Fails to submit evidence of firm and binding financing, as required pursuant to the provisions of Section 110;
4. Fails to complete and/or provide evidence of completion of the conditions precedent, as required pursuant to the provisions of Section 111;
5. Fails to satisfy all of the conditions subsequent, as required pursuant to the provisions of Section 112;
6. Fails to proceed with, abandons or substantially suspends the construction of the improvements required by this Agreement; or
7. Fails to comply with any term or provision of the Developer required under this Agreement;
8. Fails to achieve any performance milestone as required pursuant to the provisions of Section 201;

then, the occurrence of any of the foregoing events, as long as the occurrence of any such event was due solely to the actions or omissions of Developer, and subject to the provisions of Section 604 (a “Developer Event of Default”), shall constitute a breach in the performance of the obligations imposed upon the Developer and shall entitle the City to the remedies set forth herein, subject to applicable notice and cure periods (including, but not limited to, the cure period set forth in the following sentence). If after receiving thirty (30) calendar days written notice of default from the City, the Developer has failed to cure the Developer Event of Default to the satisfaction of the City, then the City may terminate the Agreement or exercise the rights the City may have under this Agreement. Notwithstanding the foregoing, in the event that such Developer Event of Default cannot reasonably be cured within the thirty (30) day period, but is curable and the Developer in good faith begins efforts to cure it within such thirty (30) day period and continues diligently to do so, the Developer shall have a reasonable additional period thereafter to effect the cure of the Developer Event of Default.

B. [§502] Events of Default by the City.

If during the existence of this Agreement, the City fails to perform any material obligation imposed under the provisions of this Agreement, then, the occurrence of any of the foregoing events (an “City Event of Default”) shall constitute a breach in the performance of the obligations imposed upon the City and shall entitle the Developer to the remedies hereinafter set forth, if, after receiving thirty (30) calendar days written notice from the Developer, the City has failed to cure, or to commence a cure and diligently pursue it to the completion, provided, however the additional period shall not extend beyond thirty (30) additional days from the expiration of the thirty (30) day cure period

C. [§503] Institution of Legal Action.

Any legal action to enforce the rights and remedies provided herein must be instituted in the District Court of the County of Clark, State of Nevada, or, alternatively, in the Federal District Court in the State of Nevada, if jurisdiction therein is appropriate. Except for the permitted retention of the Good Faith Deposit by the City as provided herein, the parties agree that they would not have entered into this Agreement if either were to be liable for monetary damages based upon a breach of this Agreement or any other allegation or cause of action based upon or with respect to this Agreement. Accordingly, City and Developer may pursue any course of action or equity available for breach, including, but not limited to, an action for specific performance of this Agreement, except that neither Party shall be liable to the other or to any other person for any monetary damages based upon a breach of this Agreement or any other allegation or cause of action based upon or with respect to this Agreement.

D. [§504] Applicable Law.

The laws of the State of Nevada shall govern the interpretation and enforcement of this Agreement.

E. [§505] Service of Process.

In the event that any legal action is commenced by the Developer against the City, service of process on the City shall be made by personal service upon the City Clerk of the City or in such other manner as may be provided by law.

In the event that any legal action is commenced by the City against the Developer, service of process on the Developer may be made by personal service upon the resident agent of the Developer or in such other manner as may be provided by law and shall be valid whether made within or outside of the State of Nevada.

F. [§506] Remedies of the Parties.

Except as otherwise expressly stated in this Agreement, the rights and remedies of the parties are cumulative, and the exercise by any party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or any other default by the other party.

1. [§507] Remedy of the Developer—Termination.

In the event of a City Event of Default, the Developer shall have the right, prior to the conveyance of title to the Site, to terminate, this Agreement ten (10) calendar days after written notice of termination is received by the City. Upon such termination, the parties hereto shall have no further recourse against, or liability to, each other; provided, however, the City shall return the Good Faith Deposit and any earnings thereon shall be returned to the Developer.

2. [§508] Remedies of the City, Generally.

a. [§509] Termination

Upon an uncured Developer Event of Default as defined in Section 501, the City shall have the right to terminate the entire Agreement and this Agreement shall so terminate ten (10) calendar days after written notice of termination is received by the Developer.

b. [§510] Retention of Good Faith Deposit

In the event of termination under Section 509, or in the event the Developer is in breach or default with respect to any other material obligation of Developer under this Agreement which is not specified in Section 401 beyond applicable notice and cure periods, the Good Faith Deposit may be retained by the City as its property without any deduction, offset or recoupment whatsoever.

c. [§511] Return of the Site.

In the event of termination of this Agreement by the City pursuant this Agreement after Closing, the Developer agrees to reconvey the Site within ten (10) calendar days after the date of termination as provided in Section 509. The return of the Site pursuant to this Section 511 shall be subordinate and subject to and be limited by and shall not defeat, render invalid or limit:

- i. Any deed of trust, mortgage or other security instrument permitted by this Agreement; or
- ii. Any rights or interest provided in this Agreement for the protection of the holder of such deeds of trust, mortgages or other security instruments.

3. [§512] Remedies of the City, Specific to NRS 268.058.

a. [§513] City Remedies Specific to Developer's Failure to Provide Affordable Housing during the Period of Affordability.

Notwithstanding any other provisions for breach provided herein, or remedies therefor, the following remedy shall solely and exclusively govern a failure by the Developer or its permitted assignee or successor to provide affordable housing upon the Site as provided by the terms of this Agreement during the prescribed Period of Affordability, as may be amended pursuant to the terms of this Agreement.

- (i) **[§514] Repossession.** Notwithstanding any other provision provided herein, if the City reasonably determines that the Development has not been utilized to provide affordable housing as required by the terms of this Agreement, the City shall be permitted to repossess the Site in its

entirety, with any and all structures, fixtures and other appurtenances thereto.

(a) **[§515] Quit-Claim deed.** Prior to the execution of this Agreement by the City, the Developer shall execute a quit-claim deed for conveyance of the Site to the City in the form attached hereto at Attachment “F” (the “Repossession Deed”). The Repossession Deed shall be held by the City during the Period of Affordability, but shall not be deemed to be delivered by the Developer to the City and shall be ineffective to convey title to the City until the City is entitled to record such Repossession Deed pursuant to the provisions of Section 516 below and such Repossession Deed has been recorded in the Official Records of Clark County, Nevada.

(b) **[§516] Recordation.** Subject to applicable notice and cure periods provided herein, the Repossession Deed may be recorded by the City to effect the repossession of the Site only after a finding by the City Council at a public hearing that the Site is not being utilized for affordable housing as required by the terms of this Agreement. The Developer shall be given reasonable opportunity to appear at any such hearing and shall be given a reasonable amount of time during such hearing to present evidence that Developer’s use of the Development is in accordance with the provisions of this Agreement. The City shall give the Developer not less than sixty (60) days prior notice of any such hearing.

(b) **[§517] Subordination of Site Repossession.** Such repossession is subordinate to, and will in no way render invalid, defeat or otherwise limit any deed of trust, mortgage or other security instrument permitted by this Agreement. This Section 517 is provided herein as the City Council believes the subordination of the City’s interests is necessary to promote investment in the construction and preservation of affordable housing. The City acknowledges and agrees that any transfer of ownership of the Site, whether pursuant to the Repossession Deed or otherwise while the property is encumbered by a HUD insured deed of trust or other encumbrance, must be approved, in advance, by HUD through its Transfer of Physical Assets process or other similar requirements in effect at the time of such transfer.

b. [§518] City Remedies Specific to Developer’s Failure to Commence Construction of Affordable Housing within Five Years.

Notwithstanding any other provisions for breach of this Agreement, or remedies therefor, the following remedy shall solely and exclusively govern a failure by the Developer to commence construction of the Development upon the Site as provided below.

- (i) **[§519] Automatic Reversion.** Pursuant to NRS 268.058(8), if the Developer both fails to commence construction of the Development and fails to enter into contracts as are necessary to commence the construction of the Development within five (5) years of the close of business on the Closing Date, the ownership of the Site automatically reverts to the City by operation of law. In order to timely and effectively re-convey the title to the Site to the City upon failure by the Developer to commence the construction of the Development within five (5) years of the close of business on the Closing Date, the City, at any point subsequent to the close of business five (5) years after the Closing Date may record the Repossession Deed. Recordation of the Repossession Deed under the circumstance described in this Section 519 does not require City Council consideration.
- (ii) **[§520] No Subordination of Security Interests.** As the reversion occurs by operation of law, the parties acknowledge that no subordination of the City's interests shall occur under this particular type of breach. This subsection is provided herein as the City Council does not believe that the subordination of the City's interests under this circumstance is necessary to promote investment in the construction of affordable housing as a failure to commence construction or enter into the contracts necessary to commence construction within five years is a complete failure of the City's objective in conveying the Site to the Developer in order to obtain affordable housing for City residents.
- (iii) **[§521]** For purposes of this section "commence construction" means the delivery by Developer to Developer's general contractor for the construction of the improvements comprising the Development of the written notice to commence construction of the Development.
- (iv) **[§522]** For purposes of this section "entered into contracts as are necessary to commence the construction" means that the Developer can produce a valid, binding contract with a general contractor that requires the complete construction of the Development and receive a Certificate of Completion within a period of eighteen months from the effective date of that agreement between the Developer and its general contractor.

V. [§ 600] GENERAL PROVISIONS

A. [§601] Notices, Demands and Communications Between the Parties.

Formal notices, demands and communications between the City and the Developer shall be sufficiently given if dispatched by registered or certified mail, postage prepaid, return receipt requested, to the principal offices of the City and the Developer as set forth herein. Such written notices, demands and communications may be sent in the same manner to such other addresses as either party may from time-to-time designate by mail.

B. §602 Conflicts of Interest.

Except as disclosed by the City, no member, official or employee of the City shall have any personal interest, direct or indirect, in this Agreement, nor shall any such member, official or employee participate in any decision relating to this Agreement which affects his personal interests or the interests of any corporation, partnership or association in which he is directly or indirectly interested.

The Developer warrants that it has not paid or given, and will not pay or give, any third person any money or other consideration for obtaining this Agreement, except for the real estate broker identified as Section 124.

C. §603 Nonliability of City Officials and Employees.

No member, official or employee of the City shall be personally liable to the Developer in the event of any default or breach by the City under the terms of this Agreement.

D. §604 Enforced Delay: Extension of Times of Performance.

In addition to the specific provisions of this Agreement, performance by any party hereunder shall not be deemed to be in default where delays or defaults are due to war; insurrections; strikes; lock-outs; riots; floods; earthquakes; fires; casualties; acts of God; acts of the public enemy; epidemics; quarantine restrictions; freight embargoes; lack of transportation; governmental restrictions or priority; litigation between the parties hereto, but excluding any eminent domain litigation instituted by City to acquire title to the Site unless a delay in such litigation is beyond the reasonable control of the City; unusually severe weather; inability to secure necessary labor, materials or tools; delays of any contractor, subcontractor or supplier; acts or the failure to act of any public or governmental agency or entity other than the City in its capacity as a party to this Agreement (except that acts or the failure to act of the City and the City shall not excuse performance by the City) or any other causes beyond the control or without the fault of the party claiming an extension of time to perform. An extension of time for any such cause shall only be for the period of the enforced delay, which period shall commence to run from the time of the commencement of the cause. If, however, notice by the party claiming such extension is sent to the other party more than thirty (30) calendar days after the commencement of the cause, the period shall commence to run only thirty (30) calendar days prior to the giving of such notice. Except as specifically provided at Section 201, times of performance under this Agreement may be extended only in writing by the City and the Developer pursuant to the amendment provisions at Section 701.

E. §605 Inspection of Books and Records.

The City has the right, upon not less than seventy-two (72) hours notice, during reasonable business hours, to inspect the documents, books and records of the Developer pertaining to the Site as pertinent to the purposes of this Agreement. The Developer acknowledges and agrees that it shall, to the extent permitted by applicable law, provide access to, at the location where Developer keeps its documents, books, and records pertaining to the Site, any and all such documents, books and records pertaining to the Site as pertinent to the purposes of the Agreement as requested by the City within seventy-two (72) hours of such request, including, but not limited to the following: resident rental/lease agreements and W-2 stubs and/or any other proof of income provided by residents of the Development to qualify for residence at the Development. The City shall not have a right to access such documents, books, and records pursuant to this Section 605 more than once during any calendar year.

The Developer agrees that during the Period of Affordability, it will use reasonable measures to keep and safeguard all records relating to proof of income to qualifying each and every current lessor for residence at the Development. Failure to keep and safeguard such records during the Period of Affordability is a breach of this Agreement as provided by Section 501.

The Developer also has the right, upon not less than seventy-two (72) hours notice, at all reasonable times, to inspect the books and records of the City pertaining to the Site as pertinent to the purposes of this Agreement. The City agrees to provide any and all documents, books and records pertaining to the Site pursuant to provisions of the Nevada Public Records Act.

F. [\$606] Plans and Data.

Where the Developer does not proceed with the development of the Site, and when this Agreement is terminated pursuant this Agreement, the Developer shall deliver to the City any and all plans and data concerning the Property owned by the Developer, and, provided the City or any other person or entity designated by the City has obtained rights to use such plans and data from any applicable engineer, architect, or other professional consultant, the City or such designee shall be free to use such plans and data, including plans and data previously delivered to the City, for any reason whatsoever without cost or liability therefor to the Developer.

G. [\$607] Developer's Representations and Warranties.

In addition to the representations and warranties otherwise provided for in this Agreement, the Developer represents and warrants to the City as of the date of this Agreement, and upon Closing shall be deemed to represent and warrant, as follows:

1. [\$608] The Developer is a non-profit corporation duly formed and validly existing under the laws of the State of Arizona and has the full corporate power and authority to execute this Agreement on behalf of Developer.

2. [\$609] The person signing this Agreement and any documents and instruments in connection herewith on behalf of the Developer has full power and authority to do so. All necessary

action has been taken to duly authorize the execution and delivery of this Agreement and the documents and instruments contemplated by this Agreement and the performance by Developer of the covenants and obligations to be performed and carried out by it hereunder.

3. **[§610]** The Developer, to the best of the Developer's knowledge, is not prohibited from consummating the transaction contemplated by this Agreement by any law, rule, regulation, instrument, agreement, order or judgment.

4. **[§611]** There are no attachments, levies, executions, assignments for the benefit of creditors, receiverships, conservatorships or voluntary or involuntary proceedings in bankruptcy or pursuant to any other debtor relief laws contemplated by the Developer or filed by the Developer, or to the best of Developer's knowledge, pending in any current judicial or administrative proceeding against Developer.

5. **[§612]** The Developer is authorized to own and develop real property in the State of Nevada.

H. [613] City's Representations and Warranties.

In addition to the representations and warranties otherwise provided for in this Agreement, the City represents, and warrants to the Developer as of the date of this Agreement, and upon any Closing hereunder shall be deemed to represent and warrant, as follows:

1. All persons signing this Agreement and/or any documents and instruments in connection herewith on behalf of the City have full corporate and municipal power and authority to do so.

2. All necessary action has been taken to duly authorize the execution and delivery by City of this Agreement and all documents and instruments contemplated by this Agreement, and the performance by City of the covenants and obligations to be performed and carried out by it hereunder.

3. The execution, delivery and performance by City of this Agreement and such other instruments and documents to be executed and delivered in connection herewith by City does not, and will not, result in any violation of, or conflict with or constitute a default under any provision of any agreement of City or any mortgage, deed of trust, bond, indenture, lease, security agreement, or other instrument or agreement to which City is a party, or any judgment, writ, decree, order, injunction, rule or governmental regulation to which it is subject.

4. There are no other agreements with any other developers with respect to the Site.

I. [§614] Representations and Warranties at Closing.

All of Developer's representations and warranties contained in this Agreement shall be true and correct at Closing as though made at and as of such Closing. All of City's representations and

warranties contained in this Agreement shall be true and correct at Closing as though made at and as of such Closing.

J [§616] Time of Essence.

Time is of the essence with respect to the performance of all terms, covenants, conditions and provisions of this Agreement. No provision of the Escrow Instructions shall extend the date of Closing or provide either party hereto with any grace period not provided in this Agreement.

K. [§617] Further Assurances.

The parties hereto shall execute, acknowledge and deliver such other instruments and documents as may be necessary or appropriate to carry out the full intent and purpose of this Agreement.

L. [§618] Section Headings.

The section headings in this Agreement are inserted only for convenience and reference and the parties intend that they shall be disregarded in interpreting the terms, covenants, conditions and provisions of this Agreement.

M. [§619] Severability.

Wherever possible, each provision of this Agreement shall be interpreted in such manner as to be valid under applicable law, but if any provision shall be invalid or prohibited hereunder, such provision shall be ineffective to the extent of such prohibition or invalidation but shall not invalidate the remainder of such provision or the remaining provisions.

N. [§620] Construction.

As used in this Agreement, the masculine, feminine or neuter gender and the singular or plural numbers shall each be deemed to include the other whenever the context so requires. This Agreement shall be construed as a whole and in accordance with its fair meaning and without regard to any presumption or other rule requiring construction against the party causing this Agreement or any part of this Agreement to be drafted. The parties acknowledge that each party has reviewed this Agreement and has had the opportunity to have it reviewed by legal counsel. If any words or phrases in this Agreement are stricken or otherwise eliminated, whether or not other words or phrases have been added, this Agreement shall be construed as if the words or phrases stricken or otherwise eliminated were never included in this Agreement, and no implication or inference will be drawn from the fact that the words or phrases were stricken or otherwise eliminated.

O. [§621] No Partnership, Third Person.

It is not intended by this Agreement to, and nothing contained in this Agreement shall, create any partnership, joint venture or other arrangement between City and Developer, except as otherwise provided herein. No term or provision of this Agreement is intended to benefit any person, partnership, corporation or other entity not a party hereto (including, without limitation, any broker), and no such other person, partnership, corporation or entity shall have any right or cause of action hereunder.

P. [§622] Time of Performance.

If the date for performance of any obligation hereunder or the last day of any time period provided for herein shall fall on a Saturday, Sunday or legal holiday, then said date for performance or time period shall expire on the first day thereafter which is not a Saturday, Sunday or legal holiday. Except as may otherwise be set forth herein, any performance provided for herein shall be timely made and completed if made and completed no later than 5:00 P.M. (Las Vegas time) on the day for performance.

Q. [§623] Survival--Closing.

Except as otherwise provided herein, all covenants, agreements, representations and warranties set forth in this Agreement or in any certificate or instrument executed or delivered pursuant to this Agreement shall survive each Closing and shall not merge into any deed, assignment or other instrument executed or delivered pursuant hereto.

R. [§624] Counterparts.

This Agreement may be signed in any number of counterparts, each of which shall be deemed to be an original and all of which together shall be deemed to be one and the same Agreement.

S. [§625] Waiver.

Either of the parties shall have the right to excuse or waive performance by the other party of any obligation under this Agreement by a writing signed by the party so excusing or waiving. No delay in exercising any right or remedy shall constitute a waiver thereof, and no waiver by City or Developer of the breach of any covenant of this Agreement shall be construed as a waiver of any preceding or succeeding breach of the same or any other covenant or condition of this Agreement.

VI. [§ 700] SPECIAL PROVISIONS

A. [§701] Amendments to this Agreement.

The Developer and the City agree to mutually consider reasonable requests for amendments to this Agreement, which may be made by either of the parties hereto, provided such

requests are consistent with this Agreement. Any amendments hereto must be approved by the City Council at a public hearing on the matter.

B. [§702] Disclosure of Principals.

Pursuant to Resolution R-105-99 adopted by the governing board of the City effective October 1, 1999, Developer warrants that it has disclosed, on the form attached hereto as Attachment "G", all officers of the Developer as well as all persons and entities holding more than one percent (1%) interest in the Developer. Throughout the term hereof, the Developer shall notify the City in writing of any significant change (as defined in Section 106) in the above disclosure within fifteen (15) days of any such change.

C. [§703] Entire Agreement

This Agreement is executed in three (3) duplicate originals, each of which is deemed to be an original. This Agreement comprises pages 1 through 29, inclusive, and Attachments "A" through "I", attached hereto and incorporated herein by reference, all of which constitute the entire understanding and agreement of the parties.

...
...
...
...
...
...

This Agreement integrates all of the terms and conditions mentioned herein or incidental hereto, and supersedes all negotiations or previous agreements between the parties with respect to all or any part of the subject matter hereof.

CITY OF LAS VEGAS

By: _____
OSCAR B. GOODMAN, Mayor

ATTEST:

BEVERLY K. BRIDGES, ACTING CITY CLERK

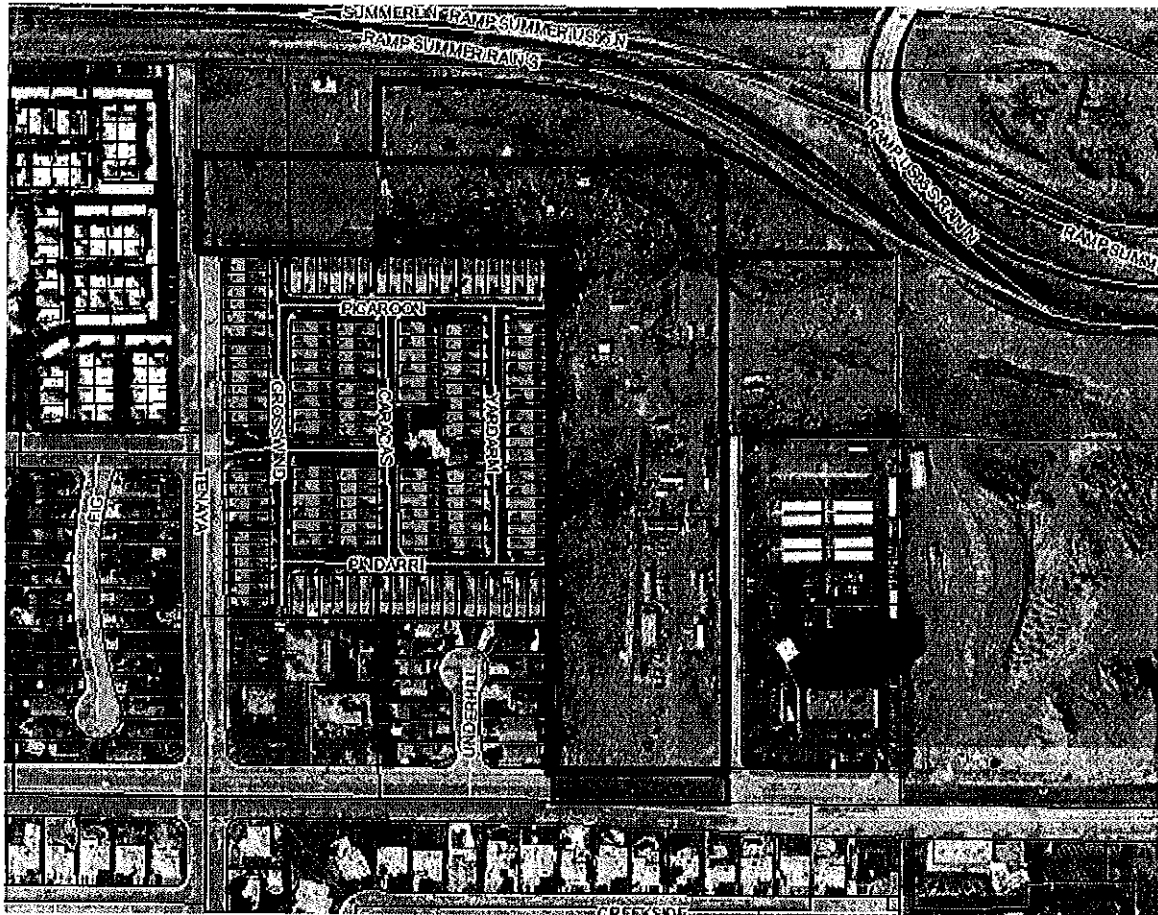
APPROVED AS TO FORM:

9/19/07
Date

THE TAPESTRY GROUP, INC.,
an Arizona non-profit corporation

By: Gayle M. Brotherson
Its: President

ATTACHMENT "A"
SITE MAP



APN 138-27-801-004 11.25 acres

A portion of 138-27-802-006 +/- 4 acres

ATTACHMENT "B"
LEGAL DESCRIPTION

Parcel 1 (all of Assessor's Parcel Number 138-27-801-004, as follows):

The South Half (S $\frac{1}{2}$) of the North Half (N $\frac{1}{2}$) of the Northwest Quarter (NW $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$);

And,

The South Half (S $\frac{1}{2}$) of the Northwest Quarter (NW $\frac{1}{4}$) of the Northeast Quarter (NE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$);

And,

The Southwest Quarter (SW $\frac{1}{4}$) of the Northeast Quarter (NE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$);

And,

The West Half (W $\frac{1}{2}$) of the Southeast Quarter (SE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$);

All in Section 27, Township 20 South, Range 60 East, M.D.M., Clark County, Nevada

Parcel 2: The westerly +/- 4 acre portion of Assessor's Parcel Number 138-27-802-006 as depicted on Attachment "A", the legal description of which will be attached to this Agreement prior to Closing.

ATTACHMENT "C"
CERTIFICATE OF COMPLETION

APN:

Recording Requested by:

City of Las Vegas
Neighborhood Services Department

After recording, mail to:

City of Las Vegas
Neighborhood Services Department
400 Stewart Avenue, 2nd Floor
Las Vegas, Nevada 89101

CERTIFICATE OF COMPLETION OF CONSTRUCTION AND DEVELOPMENT

WHEREAS, by Disposition and Development Agreement dated _____, the City of Las Vegas, a municipal corporation of the State of Nevada, hereinafter referred to as the "City," conveyed to _____, hereinafter referred to as "Developer", the site situated in the City of Las Vegas, Nevada, described on Exhibit "A", attached hereto and by this reference made a part hereof; and

WHEREAS, as set forth in the DDA, the City shall furnish the Developer with a Certificate of Completion upon completion of all construction and development upon the Site, which certificate shall be in such form as to permit it to be recorded in the Recorder's Office of Clark County; and

WHEREAS, such certificate shall be conclusive determination of satisfactory completion of the construction and development on the Site required by the DDA; and

WHEREAS, the City has determined conclusively that the construction and development on the Site has been satisfactorily completed;

NOW THEREFORE, the City agrees:

The City does hereby certify that the construction and development of the Site have been fully and satisfactorily performed and completed.

IN WITNESS THEREOF, the City has executed this Certificate.

CITY OF LAS VEGAS

By: _____
OSCAR B. GOODMAN, Mayor

Date: _____

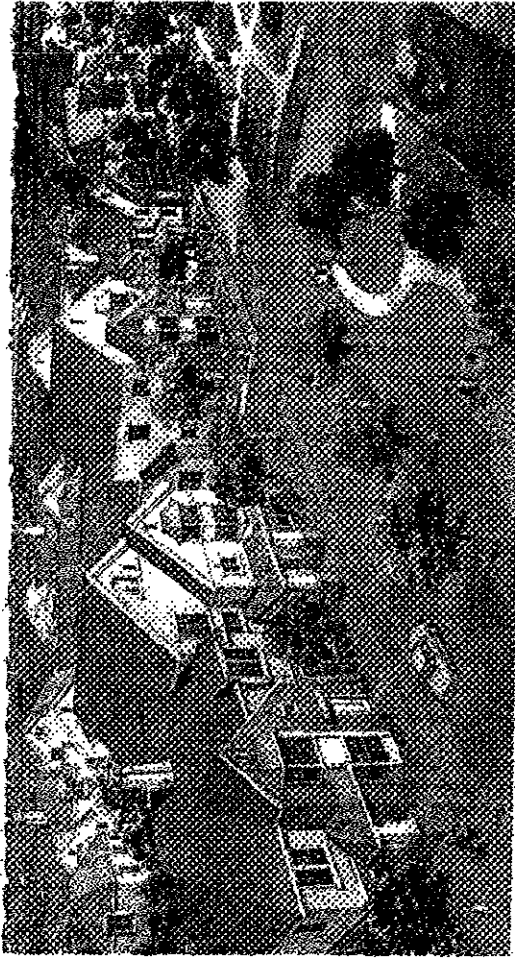
ATTEST:

BEVERLY K. BRIDGES, Acting City Clerk

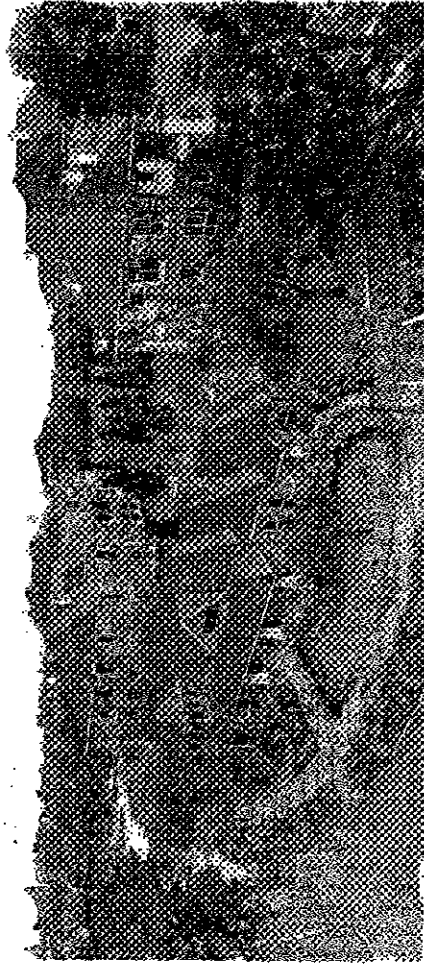
Date: _____

**ATTACHMENT “D”
BASIC CONCEPT DRAWINGS**

[see attached]



Townhome



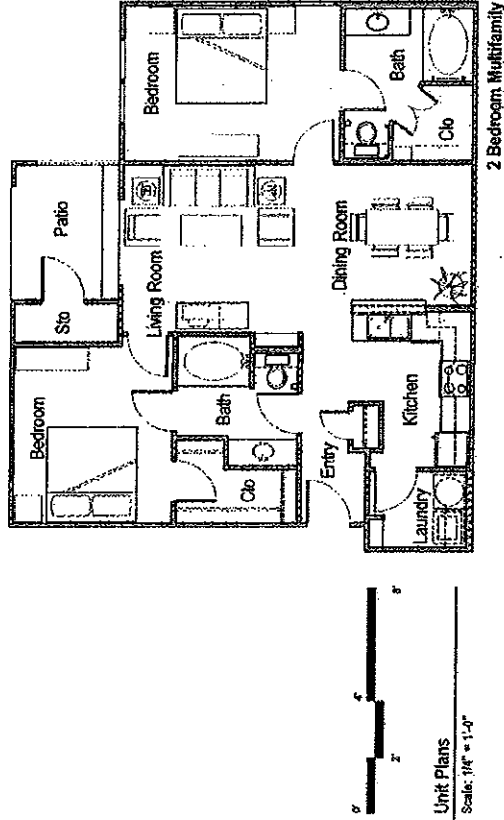
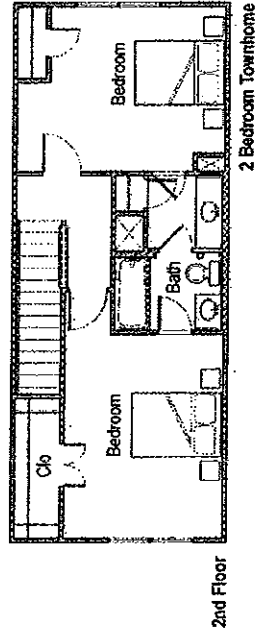
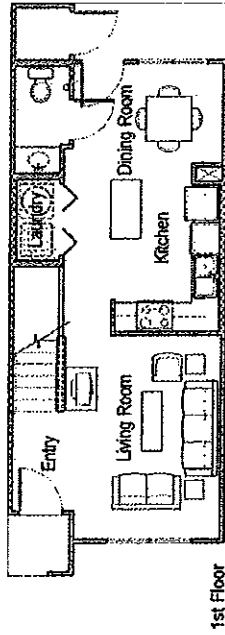
Multifamily with Leasing Office 09-28-2008

Tenaya Study
Las Vegas, Nevada

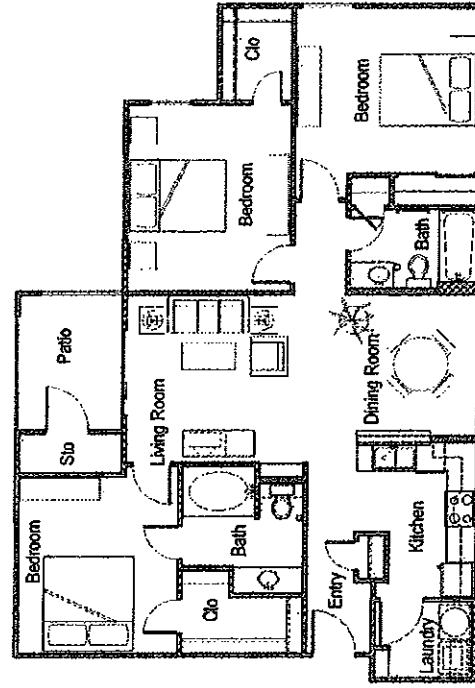
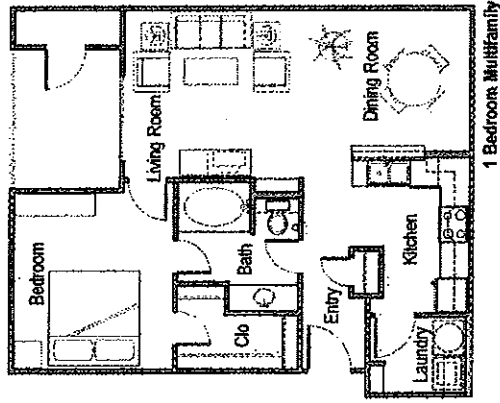
THE TAPESTRY GROUP

JHHP
Architects

For the Regulatory Approval Process in Connection with the Construction of the Project, the Applicant has submitted the following information to the Nevada Department of Transportation: 1. Project Description; 2. Project Location; 3. Project Impact; 4. Project Schedule; 5. Project Budget; 6. Project Risk; 7. Project Mitigation; 8. Project Monitoring; 9. Project Evaluation; 10. Project Conclusion.



2 Bedroom Multifamily



09-28-2006

Tenaya Study
Las Vegas, Nevada

THE TAPESTRY GROUP

JHAP
Architects

Small text at the bottom right corner, likely a disclaimer or contact information.

ATTACHMENT "E"
QUIT CLAIM DEED

[City to Developer]

Clark County Assessor's
Parcel Number(s):

When Recorded, Mail To:

c/o The Tapestry Group, Inc.
9419 East San Salvador, Suite 105
Scottsdale, Arizona 85258

QUIT CLAIM DEED

THIS INDENTURE WITNESSETH: That the City Of Las Vegas, a political subdivision of the State of Nevada ("Grantor"), in consideration of ten dollars (\$10.00), the receipt of which is hereby acknowledged, does hereby quitclaim to ("Grantee"), whose address is 9419 East San Salvador, Suite 105, Scottsdale, Arizona 85258, all that real property situated in the County of Clark, State of Nevada more fully bounded and described in the attached legal description ("Exhibit A") which is incorporated herein by this reference.

TOGETHER with all and singular the tenements, hereditaments and appurtenance thereunto belonging or in anywise appertaining.

This conveyance is being made by Grantor and accepted by Grantee subject to all taxes for the fiscal year, covenants, conditions, restrictions, reservations, rights-of-way, and easements of record.

[remainder of page intentionally left blank]

[signature page follows]

CITY OF LAS VEGAS

By: _____
OSCAR B. GOODMAN, Mayor

ATTEST:

BEVERLY K. BRIDGES, Acting City Clerk

APPROVED AS TO FORM:

Date

STATE OF _____)
COUNTY OF _____)ss

This instrument was acknowledged before me on the _____ day of _____,
20____, by _____, as Mayor of the City of Las Vegas, a political subdivision of the
State of Nevada.

Notary Public

My commission expires:_____

EXHIBIT A
To QUIT CLAIM DEED

Parcel 1 (all of Assessor's Parcel Number 138-27-801-004, as follows):

The South Half (S ½) of the North Half (N ½) of the Northwest Quarter (NW ¼) of the Southwest Quarter (SW ¼) of the Southeast Quarter (SE ¼);

And,

The South Half (S ½) of the Northwest Quarter (NW ¼) of the Northeast Quarter (NE ¼) of the Southwest Quarter (SW ¼) of the Southeast Quarter (SE ¼);

And,

The Southwest Quarter (SW ¼) of the Northeast Quarter (NE ¼) of the Southwest Quarter (SW ¼) of the Southeast Quarter (SE ¼);

And,

The West Half (W ½) of the Southeast Quarter (SE ¼) of the Southwest Quarter (SW ¼) of the Southeast Quarter (SE ¼);

All in Section 27, Township 20 South, Range 60 East, M.D.M., Clark County, Nevada

Parcel 2: The westerly +/- 4 acre portion of Assessor's Parcel Number 138-27-802-006 as depicted on Attachment "A", the legal description of which will be attached to this Agreement prior to Closing.

[Legal Description]

[see attached]

ATTACHMENT "F"
QUIT CLAIM DEED

[Developer to City]

Clark County Assessor's
Parcel Number(s):

When Recorded, Mail To:

City of Las Vegas
c/o Director of Neighborhood Services Department
400 Stewart Avenue
Las Vegas, Nevada 89101

QUIT CLAIM DEED

THIS INDENTURE WITNESSETH: That the _____
_____ ("Grantor"), in consideration of ten dollars (\$10.00), the receipt of
which is hereby acknowledged, does hereby quitclaim to City Of Las Vegas, a political subdivision of
the State of Nevada ("Grantee"), whose address is 9400 Stewart Avenue, Las Vegas, Nevada 89101,
all that real property situated in the County of Clark, State of Nevada more fully bounded and
described in the attached legal description ("Exhibit A") which is incorporated herein by this reference.

TOGETHER with all and singular the tenements, hereditaments and appurtenance thereunto
belonging or in anywise appertaining.

This conveyance is being made by Grantor and accepted by Grantee subject to all taxes for the
fiscal year, covenants, conditions, restrictions, reservations, rights-of-way, and easements of record.

[remainder of page intentionally left blank]

[signature page follows]

By: _____

STATE OF _____)
COUNTY OF _____)ss

This instrument was acknowledged before me on the _____ day of _____,
20____, by _____, as _____ of
_____.

Notary Public

My commission expires: _____

EXHIBIT A
To QUIT CLAIM DEED

Parcel 1 (all of Assessor's Parcel Number 138-27-801-004, as follows):

The South Half (S $\frac{1}{2}$) of the North Half (N $\frac{1}{2}$) of the Northwest Quarter (NW $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$);

And,

The South Half (S $\frac{1}{2}$) of the Northwest Quarter (NW $\frac{1}{4}$) of the Northeast Quarter (NE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$);

And,

The Southwest Quarter (SW $\frac{1}{4}$) of the Northeast Quarter (NE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$);

And,

The West Half (W $\frac{1}{2}$) of the Southeast Quarter (SE $\frac{1}{4}$) of the Southwest Quarter (SW $\frac{1}{4}$) of the Southeast Quarter (SE $\frac{1}{4}$);

All in Section 27, Township 20 South, Range 60 East, M.D.M., Clark County, Nevada

Parcel 2: The westerly +/- 4 acre portion of Assessor's Parcel Number 138-27-802-006 as depicted on Attachment "A", the legal description of which will be attached to this Agreement prior to Closing.

[Legal Description]

[see attached]

ATTACHMENT "G" **DISCLOSURE OF OFFICERS**

The following is a list of the officers of The Tapestry Group, Inc., an Arizona non-profit corporation (the "Assignee"), including all persons and entities holding more than a one percent (1%) interest in the Assignee.

NAME	BUSINESS ADDRESS	BUSINESS PHONE	RELATIONSHIP
Michael Wilcox	11717 Burt Street, #106 Omaha, NE. 68154		Director, Vice President, Treasurer
Gaylen Brotherson	9419 E. San Salvador, #105 Scottsdale, AZ. 85261		President, Director
Sam Murante	7324 Ontario Street, Omaha, NE. 68124		Director, Secretary

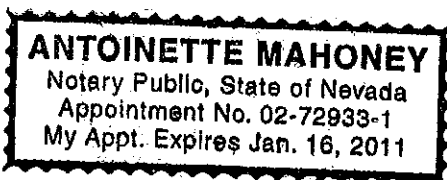
The undersigned hereby certifies, under penalty of perjury, that the foregoing list is full and complete.

THE TAPESTRY GROUP, INC.
an Arizona non-profit corporation

By: Gaylen M. Brotherson
Name: President

Subscribed and sworn to before me
this 19 day of September,
20 07.

Antoinette Mahoney
Notary Public



ATTACHMENT "H"
REQUIRED CORRESPONDENCE

[see attached]



THE TAPESTRY GROUP
a private foundation

9419 EAST SAN SALVADOR, SUITE 105 SCOTTSDALE, AZ 85268 T 602 770 1440 F 480 391 1910

March 8, 2007

Mr. Oscar Goodman, Mayor
City of Las Vegas
400 Stewart Avenue
Las Vegas, Nevada 89101

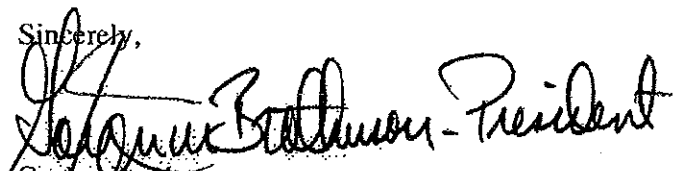
Re: Approximately 15.25 acres of real property owned or that will be owned by the City of Las Vegas, generally located north and east of the intersection of Westcliff Drive and Tenaya Way in the City of Las Vegas, Clark County, Nevada, also known as Clark County Assessor's parcel number 138-27-801-004 and a portion of Clark County Assessor's parcel number 138-27-802-006 (the "Property")

Dear Mr. Goodman:

The Tapestry Group, Inc., an Arizona non-profit corporation, or its permitted assignee ("Tapestry"), desires to acquire the Property for the purpose of developing an affordable housing project. Pursuant to Nevada Revised Statutes 268.058, Tapestry is required to submit an application for conveyance of the Property. Please accept this letter as Tapestry's application for conveyance of the Property.

Should you have any questions or should further information or materials be required or needed by the City of Las Vegas to process this application, please do not hesitate to contact me.

Sincerely,


Gaylen Brotherson
The Tapestry Group, Inc.

CC: Gene Wilczewski

ATTACHMENT "I"
PERMITTED EXCEPTIONS

1. A right-of-way granted by decision, dated April 24, 1985, by the Bureau of Land Management under Serial Number N-41255 to The City of Las Vegas for the construction, operation and maintenance of a sewer drainage system and roadway under right-of-way grant filed in the office of the Bureau of Land Management over a portion of the land, as recorded in the Office of the County Recorder of Clark County, Nevada on May 15, 1985 in Book 2110, as Instrument No. 2069342 of Official Records.

Document(s) declaring modifications thereof recorded October 12, 2004 in Book 20041012 as Instrument No. 04276 of Official Records.

Document(s) declaring modifications thereof recorded January 3, 2006 in Book 20060103 as Instrument No. 02478 of Official Records.

2. A right-of-way granted by decision, dated February 9, 1987, by the Bureau of Land Management under Serial Number N-37142 to City of Las Vegas for an access highway (Husite Highway) and stormwater detention basins and drainage channel under right-of-way grant filed in the office of the Bureau of Land Management over a portion of said land, as recorded in the Office of the County Recorder of Clark County, Nevada on July 9, 1987 in Book 870709, as Instrument No. 00713 of Official Records.

Document(s) declaring modifications thereof recorded January 21, 1992 in Book 920121 as Instrument No. 00904 of Official Records.

3. A right-of-way granted by decision, dated July 5, 1988, by the Bureau of Land Management under Serial Number N-48185 to Las Vegas Valley Water District for pipeline under right-of-way grant filed in the office of the Bureau of Land Management over a portion of said land, as recorded in the Office of the County Recorder of Clark County, Nevada on September 6, 1998 in Book 880906, as Instrument No. 00632 of Official Records.

4. A right-of-way granted by decision, dated November 17, 1983, by the Bureau of Land Management under Serial Number N-38851 to The City of Las Vegas for road and underground drainage system under right-of-way grant filed in the office of the Bureau of Land Management over a portion of said land, as recorded in the Office of the County Recorder of Clark County, Nevada on April 22, 1994 in Book 940422, as Instrument No. 01579 of Official Records.

5. A right-of-way granted by decision, dated April 4, 1994, by the Bureau of Land Management under Serial Number N-53358 to Las Vegas Valley Water District for right to construct, operate, maintain and terminate a well (P) and associated pipeline on public lands under right-of-way grant filed in the office of the Bureau of Land Management over a portion of the land, as recorded in the Office of the County Recorder of Clark County, Nevada on August 24, 1994 in Book 940824, as Instrument No. 01257 of Official Records.

6. A right-of-way granted by decision, dated April 19, 1995, by the Bureau of Land Management under Serial Number N-59693 to Nevada Power Company for right to construct, operate,

maintain and terminate an underground distribution line under right-of-way grant filed in the office of the Bureau of Land Management over a portion of the land, as recorded in the Office of the County Recorder of Clark County, Nevada on October 18, 1995 in Book 951018, as Instrument No. 01150 of Official Records.

7. A right-of-way granted by decision, dated March 3, 2002, by the Bureau of Land Management under Serial Number N-062275 to Nevada Department of Transportation for right to construction, operate, maintain, and terminate highway interchange related facilities on public lands under right-of-way grant filed in the office of the Bureau of Land Management over a portion of the land, as recorded in the Office of the County Recorder of Clark County, Nevada on April 16, 2003 in Book 20030416, as Instrument No. 02771 of Official Records.

8. A right-of-way granted by decision, dated April 28, 2004, by the Bureau of Land Management under Serial Number N-78338 to Nevada Power Company for right to construct, operate, maintain, and terminate an underground KV distribution line with related appurtenance on public land under right-of-way grant filed in the office of the Bureau of Land Management over a portion of the land, as recorded in the Office of the County Recorder of Clark County, Nevada on June 17, 2004 in Book 20040617, as Instrument No. 03948 of Official Records.

9. A right-of-way granted by decision, by the Bureau of Land Management under Serial Number N-59693A to Nevada Power Company for right to construct, operate, maintain and terminate a 15k underground distribution line under right-of-way grant filed in the office of the Bureau of Land Management over a portion of subject property, as recorded in the Office of the County Recorder of Clark County, Nevada on March 23, 2006 in Book 20060323, as Instrument No. 02637 of Official Records.